

ROBERT L. EHRLICH, JR. GOVERNOR

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TTY USERS CALL VIA MD RELAY

May 21, 2003

The Honorable Michael E. Busch Speaker of the House State House Annapolis MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 563- *Montgomery County-Local Vehicle Surcharge-Transportation Fund.*

House Bill 563 authorizes the Montgomery County Council to impose a local surcharge of \$27 or \$40.50 on certain motor vehicles owned by people living in Montgomery County or businesses located in Montgomery County. This surcharge would create a fund dedicated to transportation projects in Montgomery County, including roads, mass transit projects, hiker-biker trails, and pedestrian safety programs. Further, the bill requires the Motor Vehicle Administration (MVA) to provide Montgomery County with a list of people domiciled in the county in order to assess who must pay the surcharge. Finally, the MVA would be responsible for tracking the people in Montgomery County who did not pay the surcharge.

The Departments of Budget and Management and Transportation opposed this legislation during the bill hearings.

House Bill 563 would set an undesirable precedent for other counties. First, the bill would allow a traditional revenue source to be used for something other than funding the Transportation Trust Fund or statewide transportation projects. There is a long legislative history of creating a fair balance for what each jurisdiction receives in transportation funds. House Bill 563 would alter this formula and give one jurisdiction preferential treatment. If a jurisdiction wishes to increase fees or taxes on its citizens, it has every right to do so through other means. It is inappropriate to use a traditional State revenue resource to fund local projects not based on a statewide solution to transportation problems.

Second, the Maryland Department of Transportation (MDOT) will conduct a comprehensive review of the transportation funding structure and develop a *statewide* solution. It would be premature and counterproductive for Montgomery County to undertake State projects from a local level. The MDOT will address all transportation needs on a statewide basis.

The Honorable Michael E. Busch May 21, 2003 Page 2

I intend to appoint a broad task force to study all revenue options to replenish the Transportation Trust Fund. Further, I will continue to look for solutions to the statewide transportation problem. This includes supporting and funding the Intercounty Connector, a project that will benefit the State in general, and Montgomery County in particular. House Bill 563, however, will alter, perhaps to Montgomery County's detriment, the process of funding statewide solutions.

As stated above, one of the possible uses of the money collected under the bill would be to fund hiker-biker trails. Although these trails may be a desired amenity, they are not a realistic part of the solution to the State's transportation problems.

Third, House Bill 563 would result in an administrative nightmare for the MVA. If the bill were enacted, the MVA would be tasked with responsibilities that will create additional burdens when resources are already thin, along with responsibilities that are virtually impossible. For example, the MVA must provide "the name and address of any resident of the county who has registered a vehicle and is subject to a registration fee..." Under the bill, a resident would include any person who lives in the county for more than a year, no matter where the person's actual residence is. The MVA has no way to determine which people have lived in Montgomery County for more than a year. Further, the MVA would not be able to exempt people who register a qualified hybrid vehicle, as the bill requires, because the MVA does not track hybrid vehicles.

For the above stated reasons, I have vetoed House Bill 563.

Sincerely,

Robert L. Ehrlich, Jr.

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